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Evaluation of results-based budgeting in peacekeeping operations

Note by the Secretary-General

The Secretary-General has the honour to transmit to the members of the General Assembly the report of the Joint Inspection Unit entitled "Evaluation of results-based budgeting in peacekeeping operations" (JIU/REP/2006/1).

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Joint Inspection Unit

Geneva
2006

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ABBREVIATIONS

ACABQ	Advisory Committee on Administrative and Budgetary Questions
CEB	United Nations System Chief Executives Board for Coordination
DPA	Department of Political Affairs
DPKO	Department of Peacekeeping Operations
ECPS	Executive Committee on Peace and Security
e-PAS	electronic performance appraisal system
ERP	Enterprise Resource Planning
FMSS	Finance Management and Support Service
FMT	Funds Monitoring Tool
ICSC	International Civil Service Commission
IMDIS	Integrated Monitoring and Documentation Information System
IMIP	integrated mission implementation plan
IMIS	Integrated Management Information System
IMTF	Integrated Mission Task Force
JIU	Joint Inspection Unit
MINUSTAH	United Nations Stabilization Mission in Haiti
MIP	mission implementation plan
NGO	non-governmental organization
OECD	Organization for Economic Cooperation and Development
OIOS	Office of Internal Oversight Services
OPPBA	Office of Programme Planning, Budget and Accounts
OPPBF	Office of Programme Planning, Budget and Finance
PKO	peacekeeping operation
RBB	results-based budgeting
RBM	results-based management
SMART	Specific, Measurable, Attainable, Relevant and Time-bound

Objective

To identify and evaluate the factors that are critical for the successful implementation of results-based management, as a basis for developing a broad management strategy for the peacekeeping operations conducted by the United Nations, and provide a benchmarking framework for such implementation

EXECUTIVE SUMMARY

The General Assembly, in its resolution 57/290 B of 18 June 2003, requested the Joint Inspection Unit (JIU) to submit to it at its resumed sixtieth session an evaluation of the implementation of results-based budgeting (RBB) in peacekeeping operations (PKOs); this report is in answer to that request.

The analysis undertaken for the preparation of this report is based on the application in PKOs of those elements of the JIU results-based management (RBM) benchmarking framework considered relevant, in particular those related to the planning-to-evaluation cycle, as detailed in the series of reports on managing for results in the United Nations system prepared by the Unit. The JIU benchmarking framework covers a comprehensive implementation of RBM. However, PKOs only apply RBB, not RBM. Thus some items contained in the JIU benchmarking framework are not applicable in the context of this report, while some other RBM elements, considered as important in the application of any results-based approach, have been included as part of the analysis undertaken.

RBB is a planning process aiming at the achievement of results, and results can only be achieved through improved strategic management, increased administrative and programme effectiveness and enhanced accountability of programme managers. Since results are achieved through managing resources, including human resources, the human resources management component cannot be separated from a results-based approach. On the other hand, the General Assembly, in its resolution 55/231 of 23 December 2000, approved a series of measures to implement RBB in the United Nations as proposed by the Secretary-General and the Advisory Committee on Administrative and Budgetary Questions (ACABQ), and noted that those measures were intended to provide, in essence, a management tool that should enhance responsibility and accountability in the implementation of programmes and budgets. In this respect, there is an urgent need to develop further the results approach within PKOs; in fact the Inspectors consider that the current implementation of RBB should be further developed towards a full implementation of RBM.

There is no single road to RBM; it should be applied in a flexible manner taking into consideration the uniqueness of each PKO and their specific environments, which are subject to the strong influence of external and unforeseen factors. RBB is relatively new in peacekeeping as it was initially introduced in 2002. An RBB logical framework has been developed and is applied in the preparation of budget proposals by PKOs. This report looks into RBB framework issues, such as the need to refine expected accomplishments and to improve the measurability of outputs.

In addition, the report includes an analysis of the current planning process used in PKOs, from the need for comprehensive, accurate and up-to-date preliminary information in the pre-mandate phase, which should allow the Security Council to issue Specific, Measurable, Attainable, Relevant and Time-bound (SMART) mandates, for the implementation phase, through the use of RBB frameworks.

Nowadays, PKOs have evolved into complex operations with multidimensional elements going well beyond the initial concept of "peacekeeping"; the so-called integrated missions cover

different aspects, such as peacebuilding, human rights, economic development, etc. In this respect, there is considerable room for improvement, first within the Secretariat and secondly within the United Nations system of organizations, as it is perhaps the area where the United Nations system needs to make the greatest effort to deploy integrated and multidisciplinary operations in a coordinated and sensible manner, with a clear division of roles and responsibilities among the different participating partners, but contributing to the achievement of a common goal. The Peacebuilding Commission, which is being established at the time of writing this report, can contribute to the much-needed improvement in the integrated and multidisciplinary post-conflict planning of missions. The Report of the Panel on United Nations Peace Operations (Brahimi Report)[1] had already referred, inter alia, to this issue; the present report only reconfirms and highlights the fact that five years have passed and the issue is yet to be resolved.

Finally, the report looks into some aspects of human resource management required for a sound implementation of any results-based approach, such as accountability, delegation of authority, managerial flexibility and performance management. In this regard, the implementation of RBM requires further developments in these areas. An environment where unforeseen and external factors have such an important influence demands higher flexibility in management, which should be able to react to changes quickly without being hampered by excessively overregulated conditions. However, increased delegation of authority and increased flexibility should be matched by increased accountability.

[1] A/55/305–S/2000/809.

INTRODUCTION

1. The General Assembly in its resolution 57/290 B requested JIU to submit to it at its resumed sixtieth session an evaluation of the implementation of RBB in PKOs; this report is in answer to that request. In pursuing their tasks, the Inspectors have also taken into account the approach advanced by the General Assembly towards identifying the necessary conditions for the introduction of RBB in these operations, in accordance with its resolution 59/296 (part II) of 22 June 2005. It should be noted that in that resolution, the General Assembly requested the Secretary-General to ensure that the purpose of the indicators of achievement used in RBB was to reflect the contributions by peacekeeping missions to the expected accomplishments and objectives in keeping with their respective mandates; it also requested the Secretary-General to integrate operational, logistical and financial aspects fully in the planning phase of PKOs, by linking RBB to the mandate implementation plans of PKOs.

2. JIU intends to consider including in its future programme of work the preparation of a report on peacekeeping coordination mechanisms in the United Nations system, looking, inter alia, into the backstopping and support provided to PKOs by the Department of Peacekeeping Operations (DPKO) at Headquarters.

3. PKOs are characterized by a fast-evolving and unstable environment, the influence of external as well as unforeseen factors, including, inter alia, a high turnover of staff, posing additional challenges to the application of a comprehensive results-based approach. Furthermore, each operation is unique in terms of geography, timing, surrounding events and problems to be solved, features which were recognized by the General Assembly in its resolution 57/290 B in which it requested "the Secretary-General to ensure that, in applying results-based budgeting to peacekeeping budgets, the specific characteristics and mandates of each peacekeeping mission are taken fully into account". Some PKOs are long-standing issues in stable environments, where the application of a results-based approach is simple and straightforward, while others are subject to constant change, in particular those in the start-up phase.

4. RBB should not be an additional administrative burden for PKOs, but a flexible management tool to facilitate smooth operations and dialogue within and among their different elements. In this respect, the Inspectors noted a positive trend, in particular in the application of RBB frameworks in certain field operations, and there has been some progress since its introduction in 2002. DPKO as well as the peacekeeping missions are fully aware that they are in the starting phase regarding the comprehensive implementation of RBB, and that more needs to be done to obtain the full benefits of a results-based approach.

5. RBB has helped to facilitate understanding and dialogue among the different parties involved in the process, including the Security Council and the General Assembly, as well as among the different levels and components within operations, regardless of the obstacles still to be overcome. Its value currently rests in providing a common understanding, conceptualization, terminology and a sense of coherent direction in an environment where diversity, in all aspects, and unforeseen events might disperse the efforts to achieve specific results. The application of RBB in PKOs has facilitated a greater understanding of the need to focus on achievement of results.

6. The sound implementation of RBM is certainly influenced by the predictability of external factors and resources. External factors need to be properly identified and taken into consideration from the very early stages of planning, through the development of meaningful assumptions. The number of external and unforeseen factors is inversely proportional to the accuracy of the pre-assessment of any given conflict situation. This seems to be a weak point in planning since external factors are often confused with unforeseen events. There is little or no control at all over external factors, but they can and must be part of the planning exercise. More careful consideration must be given to their foreseeable impact, and this can only be achieved through an initial comprehensive multidimensional analysis (political, socio-economic and developmental) of the specific situation and

the environment where the PKO will take place. In this respect, RBM/RBB techniques, when properly applied, are valuable planning tools for PKOs as they force the need to plan in advance, taking into account the possible impact of external factors.

7. The Inspectors have witnessed a lack of senior management interest in the subject dealt with in this report, in particular within DPKO at Headquarters. As a general rule, senior management at DPKO just sees RBB as a paper exercise, budget-driven, and not linked to substantive management. This lack of understanding and commitment might be the reason for the difficulties experienced in interacting with DPKO top senior management at Headquarters and in the United Nations Stabilization Mission in Haiti (MINUSTAH) during the preparation of this report. This reconfirms that RBB has not yet broken through the managerial culture at DPKO at Headquarters. The Inspectors stress the need to change the scope of the results-based approach applied in PKOs from the current emphasis on budgeting (RBB) to a comprehensive management-for-results approach (RBM).

METHODOLOGY

8. A participatory approach, as well as in-depth research and analysis, have provided a solid foundation for the development of the JIU benchmarking framework, as reflected in the series of reports on managing for results in the United Nations system prepared by the Unit. This RBM framework has been taken as the basis for evaluating the implementation of RBB in PKOs.

9. The RBM benchmarking framework developed by JIU is being extensively used by the organizations of the United Nations system, as recommended by the United Nations System Chief Executives Board for Coordination (CEB),[2] and also by the Committee for Programme and Coordination (CPC),[3] for endorsement by the Economic and Social Council and the General Assembly. It stresses the importance not only of the planning-to-evaluation cycle, in which RBB is enclosed, but also of human resource management and information management systems as the main pillars on which any results-based approach should be founded.

10. It is to be noted that the benchmarking framework developed by JIU covers the comprehensive implementation of RBM. However, PKOs only apply RBB, thus some items related to the implementation of RBM are not applicable in the context of this report, while some other RBM elements considered as important in the application of any results-based approach have been included as part of the analysis undertaken.

11. The information contained in this report is based on extensive documentation research, the analysis of a significant number of interviews conducted, both at Headquarters as well as in current PKOs (Côte d'Ivoire, Haiti, Liberia and Sierra Leone). The interviews were held with management at different levels in DPKO, as well as with substantive and administrative management in PKOs, the Office of Internal Oversight Services (OIOS) and the Office of Programme Planning, Budget and Finance (OPPBF), in particular the Peacekeeping Financing Division.

12. The analysis of information collected through research and interviews has been supplemented with a questionnaire sent to the senior management of those peacekeeping missions that it was not possible to visit owing to time and resource limitations. The aim was to obtain their views on how RBB is being implemented in PKOs, on the advantages of its implementation, as well as on the obstacles encountered.

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[2] "Concept paper on results-based budgeting in the organizations of the United Nations system" (CEB/2005/HLCM/R.6 of 23 March 2005), p. 14.

[3] "Overview of the series of reports on managing for results in the United Nations system" (E/AC.51/2005/L.4/Add.12 of 27 June 2005).

13. Finally, in accordance with the Unit's statute, standards and guidelines, and internal working procedures, the report was tested against the collective wisdom of the Unit and the draft was formally shared with officials in the Secretariat of the United Nations. JIU did not receive a consolidated response from the Secretariat, only separate comments from the Office of Programme Planning, Budget and Accounts (OPPBA) and from DPKO. The Inspectors would have preferred to have received a consolidated answer from the Secretariat, which would have avoided the undesired interpretation by the Unit of potentially conflicting views. Additionally, the involvement in the preparation of comments to this report of other departments of the Secretariat (i.e. the Department of Political Affairs (DPA) etc.) would have provided a wider base for discussion, and would have benefited the final output. Nevertheless, JIU has tried to integrate the responses received. OPPBA opted for an approach based on a solid understanding of the results-based methodology. On the other hand, the response from DPKO showed some lack of understanding of the scope of the evaluation report.

14. The General Assembly requested JIU to prepare an evaluation of the implementation of RBB in PKOs. These involve many actors other than DPKO, such as the Security Council, the General Assembly, other departments within the Secretariat, oversight bodies, other United Nations agencies, funds and programmes, etc. This point has not been understood by DPKO, which, for example, indicated in its comments to the present report that, "although DPKO provides reports and information to the legislative bodies, it has no control over the final decisions of legislative bodies. The descriptions of the Brahimi Report, the Executive Committee on Peace and Security and Framework teams do not seem directly related to the RBB evaluation, nor to the conclusion derived from the descriptions in the draft report".

15. The Inspectors wish to express their sincere appreciation to the many people who responded readily to requests for assistance, and particularly to those who participated in the interviews and so willingly shared their knowledge and expertise.

Benchmark 1

A clear conceptual framework for results-based management exists as a broad management strategy

16. RBB is relatively new in PKOs as it was initially introduced in 2002. An RBB logical framework has been developed and is applied in the preparation of budget proposals by PKOs. The RBB framework is structured on several levels: the first level is the mission objective, emanating from the respective mandates of the Security Council; the second level is formed by expected accomplishments and associated indicators of achievement; and the third is the output level.

17. A peacekeeping mission contributes to a number of expected accomplishments, through the delivery of key outputs that lead to the fulfilment of the objectives set by the Security Council for the lifetime of the mission. Indicators of achievement should measure progress towards the expected accomplishments during the budget year. In the view of the Inspectors, a clear conceptual framework for the implementation of RBB is in place, the framework is simple and adequate for its use in PKO budgeting.

18. PKOs currently use RBB for planning, programming and budgeting, but it falls short of being used systematically as a managerial tool. Most line managers see RBB as a time-consuming budget exercise. The name itself leads to confusion as it refers to results-based "budgeting"; however RBB is a process aimed at the achievement of results, and results can only be achieved through improved strategic management, increased administrative and programme effectiveness and the enhanced accountability of programme managers.

19. Since results are achieved through managing resources, including human resources, the human resources management component cannot be separated from a results-based approach. In this respect, there is an urgent need to develop further the RBM approach within PKOs. The first crucial step for the introduction and implementation of RBM is the development of a clear conceptual framework for it, as a broad management strategy, to be shared among the subject organization's main parties (Member States, oversight bodies and the Secretariat) and to be formally adopted by the relevant legislative organs.

20. A shared conceptual RBM framework is a precondition for the further evolution of UNBB into RBM. The Inspectors believe that the RBM benchmarking framework developed by JIU could be used as a template for the development of a comprehensive RBM framework for PKOs.

▶ **Recommendation 1**

The General Assembly, in pursuance of its resolution 55/231, may wish to request the Secretary-General to develop any feasible measures for the implementation of RBM and apply them gradually towards its full implementation in PKOs.

Benchmark 2

The respective responsibilities of the organization's main parties are clearly defined

21. The RBM benchmarking framework developed by JIU highlights the need for a clear definition of the respective responsibilities of the organization's main parties indicating that:

> Member States, through the legislative organs, should focus primarily on setting clear, measurable, and time-bound goals, objectives and targets for the organization, identifying the responsibilities of the secretariat in attaining the organization's goals and objectives over-and the responsibilities of other parties, in particular their own responsibilities, monitoring the organization's progress towards those goals and objectives by focusing on results, thus refraining from micro-management and meeting, instead, on accountability for results, providing resources commensurate with the approved programmes, and in giving clear guidance on programme and resource allocation priorities where sufficient resources cannot be provided.[4]

22. In a results-based approach, the objective, or expected overall result, is linked to the resources allocated to its achievement. Resources should be properly commensurate with the result to be achieved. The definition of the objective and the provision of matching resources are the main responsibility of the legislative organ. In the case of PKOs, there is a mismatch in this regard, as the Security Council sets the overall objectives through its mandates, while resources are provided through the approval of the General Assembly. Both bodies are formed by Member States, however, their compositions differ. The Inspectors are aware of the different mandates and composition of both bodies. Nevertheless, should the General Assembly and the Security Council wish to pursue an RBM approach for the conduct of PKOs, ways and means should be pursued to ensure coherence and consistency in the adoption of the mandates and objectives of the PKOs and the provision of related resources for their actual implementation. The Secretary-General should play a more proactive role in helping both organs to overcome this obstacle.

23. The division of what should be the sole responsibility of one governing organ in any results-based approach, into two areas, substantive and financial, does not help towards the proper application of RBB. The impact of this division is translated downwards and although it cannot be considered as the only reason, it does not contribute to a solution of one of the major issues, highlighted in different areas of this report, which is the need for a stronger involvement of the most

[4] JIU/REP/2004/6

senior management of DPKO headquarters as well as of the peacekeeping missions, in the implementation of a results-based approach.

▶ **Recommendation 2**

The Secretary-General should develop a concrete proposal to assist the Security Council in the adoption of coherent and consistent mandates and objectives for PKOs and the provision of related resources for their actual implementation and submit the proposal to the relevant organs for consideration and approval.

Benchmark 3

Long-term objectives have been clearly formulated for the organization

Long-term objectives and Specific, Measurable, Attainable, Relevant and Time-bound mandates: gathering information in the pre-assessment phase

24. A key step for RBM is to identify the long-term goals and objectives to be pursued by the PKO in question. These should derive not only from the Security Council-related mandates but also from assessments of the political, humanitarian, economic and social transition process in the conflict areas that underlie such mandates. In order to determine the objectives to be met by a PKO, the collection and subsequent analysis of preliminary information on the specific situation are crucial. More careful attention must be given to exploratory and fact-finding missions to areas of tension, and they should be undertaken more frequently; they are a key factor for future successful deployments, and in providing the Security Council and the General Assembly with realistic and up-to-date information, which would allow the establishment of accurate mission objectives.

25. The Brahimi Report[5] calls for realistic mandates; RBM goes one step beyond. In RBM terminology, objectives should be SMART. The Security Council should make efforts to issue SMART mandates, and for this purpose preliminary intelligence and strategic analysis are a must. In this regard, there is considerable room for improvement, as the current lack of a realistic, accurate, comprehensive and up-to-date initial pre-conflict assessment of situations does not facilitate the formulation of SMART mandates. Pre-conflict intelligence is still too weak.

26. "The Secretariat must tell the Security Council what it needs to know, not what it wants to hear, when recommending force and other resource levels for a new mission, and it must set those levels according to realistic scenarios that take into account likely challenges to implementation. Security Council mandates, in turn, should reflect the clarity that peacekeeping operations require for unity of effort when they deploy into potentially dangerous situations."[6]

27. The need for SMART mandates is not a new issue, as the Security Council, in its resolution 1327 (2000), resolved to give PKOs clear, credible and achievable mandates; it also stressed the need to improve the information-gathering and analysis capacity of the Secretariat, with a view to improving the quality of advice to both the Secretary-General and the Security Council, and welcomed the clarifications provided by the Secretary-General in his implementation report on his plans for the establishment of the Executive Committee on Peace and Security (ECPS) Information and Strategic Analysis Secretariat. This position was further reaffirmed at the 4970th meeting of the Security Council, held on 17 May 2004, in connection with the Council's consideration of the item entitled "United Nations peacekeeping operations". The President of the Security Council made the following statement on behalf of the Council:

[5] See footnote 1 above.
[6] Brahimi Report (A/55/305–S/2000/809), p. x.

> The Security Council recognizes its responsibility to provide clear, realistic and achievable mandates for peacekeeping missions. The Security Council values, in this regard, the assessments and recommendations provided by the Secretariat for informed decisions on the scope and composition of new peacekeeping operations as well as their mandates, concept of operations and force levels and structures.[7]

28. In this respect, the Brahimi Report recommended that the Secretary-General should establish an entity, referred to as the Executive Committee on Peace and Security Information and Strategic Analysis Secretariat (EISAS), which would support the information and analysis needs of all members of ECPS; it should be administered by and report jointly to the heads of DPA and DPKO. The Special Committee on Peacekeeping Operations did not approve this recommendation. ACABQ deferred the issue and recommended that the Secretariat use existing structures and resources (see A/55/676). The General Assembly approved the establishment of a small ECPS secretariat, which was established in 2004.

29. The Board of Auditors, in its financial report and audited financial statements for the period 1 July 2003 to 30 June 2004[8] considers the above recommendation to be under implementation, indicating that the establishment of the ECPS secretariat will need more time for its impact to be realized. The Inspectors believe that more should be done in this respect, as the original objective of the above recommendation was, inter alia, notably to improve the information and data available at the time of pre-assessing a potential PKO. The availability of comprehensive, up-to-date, accurate and realistic information is crucial for the future success of a given PKO, and this is still an area subject to further improvement.

30. In January 1997, the Secretary-General reorganized the Secretariat's work programme around the five areas that comprise the core missions of the United Nations: peace and security; humanitarian affairs; development cooperation; economic and social affairs; and human rights. This process involved all United Nations departments, programmes and funds. Subsequently, Executive Committees were established in the first four areas, while human rights were designated as cutting across, and therefore participating in, each of the other four.

31. In establishing the committees, the Secretary-General noted:

> The aim ... was to sharpen the contribution that each unit makes to the overall objectives of the Organization by reducing duplication of effort and facilitating greater complementarity and coherence. The Executive Committees were designed, therefore, as instruments of policy development, decision-making, and management. The heads of United Nations entities consult with one another on work programmes as well as other substantive and administrative matters of collective concern; to identify and exploit ways of pooling resources and services so as to maximize programme impact and minimize administrative costs and more generally to facilitate joint strategic planning and decision-making.[9]

32. ECPS is convened by the Under-Secretary-General for Political Affairs. The committee traditionally meets twice a month. When necessary, it meets more often. For ordinary meetings, the agenda usually consists of three to four items, mostly country situations. All members are free to table items for consideration. ECPS has evolved significantly since its establishment, having more than doubled in size. Upon establishment it had an official membership drawn from seven United Nations departments. It now has a membership of 21. This expansion reflects the growing awareness of the linkages between peace and security and other sectoral areas.

33. In 2002, as part of the second wave of reform initiated by the Secretary-General, ECPS conducted a self-assessment that measured progress in areas such as committee composition and effectiveness, meeting preparation and conduct and recommendations for reform. The primary recommendation was the restructuring of the Committee, with an executive core and a larger

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[7] S/PRST/2004/16.

[8] *Official Records of the General Assembly, Fifty-ninth Session, Supplement No. 5* (A/59/5), vol. II: United Nations peacekeeping operations.

[9] "Renewing the United Nations—a programme for reform: report of the Secretary-General" (A/51/950 of 14 July 1997), para. 29.

membership that would convene less frequently and according to need. This recommendation has not yet been put into practice.

34. ECPS also receives reports from the Framework Team of the Inter-agency/Interdepartmental Framework for Coordination, which is the inter-departmental entity dealing with preventive action. The practice of formal links between ECPS and other Executive Committees is manifested mostly in the convening of occasional joint meetings. In accordance with the procedures elaborated in the Brahimi Report and in the follow-up report of the Secretary-General (A/55/502), ECPS also created the first full Integrated Mission Task Force (IMTF) as a response to the situation in Afghanistan after 11 September 2001. IMTF for Afghanistan was a full-time entity from October 2001 to January 2002, and contributed to a coherent United Nations response to the situation on the ground and to a comprehensive mission planning process that involved all relevant parts of the United Nations system. IMTF reported to ECPS on a weekly basis.

35. An accurate pre-assessment of any potential PKO is the cornerstone of future planning; the consequences of planning without reliable data are usually carried over through subsequent planning cycles, creating unnecessary and additional uncertainties. Despite the efforts made, this is still a grey area as confirmed by the Inspectors. The lasting solution to this problem goes well beyond the scope of this report. However, from the perspective of a results-based approach, it is fundamental to set SMART objectives, and in order to do so, preliminary information is crucial and it is from this angle that the Inspectors call for improved monitoring and collection of data, to facilitate a comprehensive preliminary analysis of the particular situation and the subsequent establishment of mandates by the Security Council.

► Recommendation 3

The Secretary-General should ensure that his reports to the Security Council and the General Assembly on PKOs conform with RBM principles, methodology and benchmarks, in particular with regard to the need for proposing SMART mandates and objectives.

► Recommendation 4

Since the nature of PKOs has evolved into complex, multidimensional peace operations, the General Assembly should revisit the recommendation contained in the Brahimi Report (A/55/305–S/2000/809) requesting the Secretary-General to establish an entity, referred to as the ECPS Information and Strategic Analysis Secretariat, which would support the information and analysis needs of all members of ECPS, and approve it.

Benchmark 4

The organization's programmes are well aligned with its long-term objectives

A. The translation of mission objectives into results-based frameworks: need to refine frameworks and to improve measurability of the framework elements

36. In PKOs, the Security Council mandates determine the objectives to be achieved by missions. As already indicated, an RBB logical framework has been developed to be applied in the preparation of PKO budget proposals. The RBB framework is structured on several levels: the mission objective level, emanating from the mandates of the Security Council; the expected accomplishments level, and associated indicators of achievement; and the output level. The mission, through the delivery of outputs, contributes to a number of expected accomplishments that would lead to the fulfilment of the mission objectives.

37. The RBB frameworks and their associated activities would constitute the vehicle through which PKOs pursue their long-term goals, objectives and targets. The RBB framework is in place; however, the challenge remains in a meaningful, cost-effective use of these frameworks. In this respect additional progress is expected, particularly in two areas, namely, the cascading of objectives, goals and outputs into lower-level work plans (component/division/section/unit) down to individual work plans, and the well-known issue of the need to refine and improve the measurability of objectives, expected accomplishments and indicators of achievement and outputs.

38. The meaningful application of RBM requires a cascading of overall objectives set by the Security Council into lower organizational levels with clear links between levels, down to the individual-level work plans, which is not yet in place, although some missions indicated that some work in this area is being done. It is to be noted that many of the problems experienced by PKOs in the application of the RBB framework are not different from those experienced by other organizations of the United Nations system, which are also trying to implement a results-based approach in more stable environments. Difficulties regarding, for example, improved measurability through the use of adequate baseline data and appropriate indicators are not exclusive to PKOs, since they are part of the learning process in the application of a results-based approach.

39. The Inspectors believe that there is a need for continued improvement in terms of specificity and measurability of outputs, as many of them are not fully SMART. However, many of them are legitimate but difficult to measure from an objective point of view, and others have no meaning without a qualitative component (number of meetings, number of letters, etc.). For example, it is useless to indicate that a given number of letters were sent, or that a number of meetings were held, without knowing their impact, which is very difficult and possibly worthless to quantify. Additionally, an analysis of the current RBB frameworks of different PKOs shows expected accomplishments that cannot be achieved only through the exclusive action of PKOs. In most cases the RBB frameworks do not clearly define the involvement and the responsibility of other partners, such as Governments, donors, non-governmental organizations (NGOs), other United Nations programmes and/or agencies, etc.

40. It should be noted that in the RBB frameworks for peacekeeping missions there is a difference between the indicators of achievement in the substantive components versus the support components. In the support components, the indicators of achievement are the full responsibility of the mission, whereas in the substantive components the indicators of achievement are a collective responsibility. This distinction takes place in a setting where the expected accomplishment for the support component, "Increased efficiency and effectiveness of peacekeeping operations", is by nature "internal", while in the substantive components the expected accomplishments derive from the objectives set by the Security Council. For the expected accomplishments to be achieved, cooperation of all peacekeeping partners is needed. The contributions of missions alone are not sufficient. The legislative organs expect PKOs to make effective contributions to these objectives and expected accomplishments. The yearly progress towards these expected accomplishments, reflected in the indicators, however, go beyond the United Nations alone. Inevitably, therefore, indicators of achievement that are supposed to reflect progress towards the expected accomplishments imply contributions from both the United Nations and entities outside the United Nations.

41. As an illustrative example, it is worth mentioning one of the indicators used by one of the missions in the humanitarian and development coordination component for its 2005–2006 budget. The indicator of achievement is the "[c]reation of 200,000 person months of short-term employment for the poorest socio-economic groups" (A/59/745), while a subsequent analysis of the related outputs does not show how and to what extent the peacekeeping mission, through these outputs, might contribute towards the achievement of this indicator. Moreover, it is clear that the mission, in its role of coordinating other development partners, will not be able to achieve this target alone. Furthermore, the partners involved and their share of responsibility towards the achievement of such a specific indicator are not mentioned; further progress is required in this area.

42. It is recognized that coordination in such unstable environments is probably one of the most difficult areas for the application of a results-based approach, given the different number of participating partners, each of them with different organizational cultures, objectives, operating modes and legislative mandates. Nevertheless, the inspectors share the view of ACABQ included in its first report on the proposed programme budget for the biennium 2006–2007 (A/60/7), indicating that "the fact that some of these entities have their own intergovernmental bodies for policymaking and guidance does not preclude the harmonization of efforts in areas of common interest".

43. Indicators of achievement included in peacekeeping budgets should reflect to the extent possible what could be achieved by PKOs. If a PKO is involved in a joint cooperation project, its share of responsibility should be reflected through the use of appropriate outputs. If several partners, such as funds and programmes and/or agencies, participate in a joint effort towards an expected accomplishment, then the share of responsibility specifically assumed by each of the other implementation partners must also be reflected as an external factor.

44. With regard to accountability for results, PKOs are just responsible for the implementation of their own specific programmes and not for those of the individual participating partners. This point has been highlighted by ACABQ: "The indicators of achievement and outputs should clearly reflect the mission's functions and responsibilities vis-à-vis those of the Governments and United Nations agencies, funds and programmes in order to clarify what falls within and what is outside the control of the mission" (A/59/736). "Furthermore, the Committee is of the view that future budget submissions should clearly indicate the role and contributions of other programmes, funds and agencies in the implementation of specific outputs" (A/60/7).

45. In this regard, the Inspectors can only reconfirm the validity of the observations reflected in the ACABQ report entitled "Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations" (A/59/736), and those made by the Board of Auditors, such as the need to refine indicators of achievement and outputs, improve measurability, and identify time frames for implementation to facilitate monitoring and reporting, all of which are well-known issues currently being addressed technically. In 2005, DPKO, in partnership with OPPBF, conducted a training programme on the subject for heads of administration and budget officers of PKOs.

46. It is expected that the 2006–2007 budgets will show marked improvements in this area. The improving trend can be observed in the "Budget for the support account for peacekeeping operations for the period from 1 July 2005 to 30 June 2006: report of the Secretary-General" (A/59/730), which indicates: "The results-based budgeting frameworks incorporate a higher percentage of clearly measurable indicators than in the three previous financial periods. The number of measurable indicators as a percentage of the total has increased from 21 per cent in 2002/03, to 47 per cent in 2003/04, to 70 per cent in 2004/05 and to 85 per cent in 2005/06. The percentage of indicators with baselines has also increased: from 18 per cent in 2004/05 to 27 per cent in 2005/06." However, it is to be stressed that although increasing the number of quantitative indicators and outputs will improve measurability to some extent, there is also a need to review and further improve the quality of indicators and outputs, as there are many which are easy to measure but meaningless.

E. Mission implementation plans

47. The Inspectors welcome the technical efforts being made to improve measurability through additional training; however, they believe that this issue must also be addressed from a different perspective, as, in their view, it has a direct relationship with the concern expressed by some mission managers of being held accountable without having commensurate delegation of authority. RBB helps to improve visibility; improvements in measurability help to expose performance quality. Accountability issues in the context of PKOs are further discussed later in this report.

48. Substantive management sees RBB as a financial concern and not as a managerial tool. This view is also reflected in the ACABQ report, "Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations" (A/59/736), in which the "Advisory Committee stresses the importance of the involvement of and guidance from the most senior levels of the missions in the formulation of objectives, as well as in the budget preparation process."

49. Member States, through the Security Council, establish the mandates of PKOs for specified durations. Such mandates set out the overall objective of the Security Council. Once the Security Council establishes a new mission mandate, missions should develop mission implementation plans (MIPs) which should derive from mandates approved by the Security Council. MIPs are supposed to be the building blocks from which the RBB frameworks are developed. The reality is that MIPs are not developed consistently across missions, and sometimes they are developed well after the RBB frameworks. Furthermore, some MIPs, for missions that have already been deployed, are yet to be developed.

50. The Inspectors believe that an MIP should be developed as early as possible by the leadership of a new mission, and that no mission should be deployed without an MIP. In the view of the Inspectors, the preparation of MIPs is a joint undertaking that should be led by the head of the mission and developed by the senior management of the mission, involving the chiefs of the different components, including the military, and their deputies, with the guidance and support of DPKO. A similar view was reflected in Security Council resolution 1327 (2000), indicating "the need for the Secretariat to provide the leadership of a peacekeeping operation with strategic guidance and plans for anticipating and overcoming any challenges to the implementation of a mandate, and stresses that such guidance should be formulated in cooperation with the mission leadership".

51. In their comments to this report, DPKO indicated: "DPKO's experience is that MIPs are not particularly accurate very early in the life of a mission. They become much more relevant after missions have been on the ground for some time and have sufficient operational experience." Obviously, it is to be hoped that any planning will become more relevant and accurate through subsequent exercises. This is evident, but the fact that MIPs are not particularly accurate very early in the life of a mission further confirms that initial planning of missions is done without enough information on the real situation on the ground. The need notably to improve the information and data available at the time of pre-assessing a potential PKO has already been highlighted in this report.

Benchmark 5

The organization's resources are well aligned with its long-term objectives

52. Long-term objectives, in the peacekeeping context, derive from Security Council mandates, while resources are provided through approval of the General Assembly. As already indicated, there is a non-desirable gap between the Security Council and the General Assembly, in terms of the straight application of RBM. In this respect, the newly established Peacebuilding Commission could contribute to a better alignment of resources and the post-conflict long-term objectives of peacekeeping missions.

53. The High-level Panel on Threats, Challenges and Change (A/59/565) proposed to Member States that they create an intergovernmental Peacebuilding Commission, as well as a Peacebuilding Support Office within the United Nations Secretariat.

> A Peacebuilding Commission could perform the following functions: in the immediate aftermath of war, improve United Nations planning for sustained recovery, focusing on early efforts to establish the necessary institutions; help to ensure predictable financing for early recovery activities, in part by providing an overview of assessed, voluntary and standing funding mechanisms; improve the coordination of the many post-conflict activities of the United Nations funds, programmes and agencies; provide a forum in which the United Nations, major bilateral donors, troop contributors, relevant

regional actors and organizations, the international financial institutions and the national or transitional Government of the country concerned can share information about their respective post-conflict recovery strategies, in the interests of greater coherence; periodically review progress towards medium-term recovery goals; and extend the period of political attention to post-conflict recovery."[9]

54. In paragraphs 97–103 of its resolution 60/1 of 16 September 2005 on the 2005 World Summit Outcome, the General Assembly decided to establish a Peacebuilding Commission as an intergovernmental advisory body reporting to the Assembly. Its main purpose is to bring together all relevant actors to marshal resources and advise on and propose integrated strategies for post-conflict peacebuilding and recovery.

55. The Secretariat is proceeding with work on the design and terms of reference of the Peacebuilding Fund, and some early work has been done to prepare the Peacebuilding Support Office requested in the World Summit Outcome. It is envisaged that the Peacebuilding Support Office will be a relatively small office and have the following main tasks: to provide support to the Peacebuilding Commission in its substantive functions; to assist the Secretary-General in catalysing the United Nations system as a whole to develop effective strategies for peacebuilding, working with United Nations country teams, the international financial institutions and outside expertise; to advise the Secretary-General's office and the Peacebuilding Commission on strategic peacebuilding options and the interlinkages between political, security, humanitarian, justice, economic/financial, institution-building and related initiatives; and to advise on long-term and regional perspectives, building on country expertise within the system. It is also anticipated that the Peacebuilding Support Office will, at periodic intervals, review progress towards peacebuilding goals and provide advice, if necessary, on suggested changes in overall strategy.

A. Integrated missions: moving from mission implementation plans to integrated mission implementation plans

56. It is expected that the Peacebuilding Commission, which is being established at the time of writing this report, will play a fundamental role in improving the integrated post-conflict planning of peacekeeping missions, through, inter alia, the joint cooperation of the major actors involved in peacebuilding efforts. The coordination mechanisms are currently being put in place, thus it is too early to evaluate their impact in contributing to a much needed and better integrated planning process. The present report, at this stage, can only highlight the fact that five years have passed since the Brahimi Report recommended improvements in the information and analysis needed to establish more effective strategies for peacekeeping and peacebuilding, in both the long and short term, and the issue has not yet been solved.

57. The Peacebuilding Commission should play a key role in the development of post-conflict MIPs, although the responsibilities and cooperation mechanisms between the Peacebuilding Commission and the leadership of the missions and DPKO for the preparation of MIPs are yet to be defined. The Inspectors believe that this issue needs careful consideration, in line with the statement of the President of the Security Council at its 4970th meeting, who indicated that "The Security Council believes that there is need to strengthen the relationship between those who plan, mandate and manage peacekeeping operations, and those who implement the mandates for these operations".[11] MIPs should translate mandates into mission-specific objectives and expected accomplishments for each of the mission components; they should cover the expected life of the mission; and, last but not least, they should include an estimate of the overall resources required. Subsequently, MIPs should be endorsed by the Security Council and the General Assembly.

58. Resources should be provided according to the real needs of the missions, which should be part of MIPs. The current use of ratios (i.e. vehicles to staff etc.), while applicable in evaluation and/or

[9] "In larger freedom: towards development, security and human rights for all: report of the Secretary-General" (A/59/2005).
[11] See footnote 7 above.

oversight exercises as a reference for comparison purposes among different operations, is not considered to be an element that could drive the planning of resources, as it is simply unrealistic; in an RBM approach resources should be allocated and be commensurate with the results to be achieved, thus the planning of resources should be based on current needs and not on theoretical ratios.

59. Nowadays, PKOs have evolved into complex operations with multidimensional elements going well beyond the initial concept of "peacekeeping"; the so-called integrated missions cover different aspects, such as peacebuilding, human rights, economic development, etc. DPKO does not itself have any expertise specifically dedicated to peacebuilding or humanitarian affairs. It therefore has to coordinate inputs from throughout the United Nations system; thus the preparation of MIPs should also include representatives of other United Nations system organizations and potential cooperation partners. In this way their share of responsibility in the joint effort can be agreed and determined in advance within the MIP. The MIP, in the new integrated approach, should also include the leading agency, department or programme for each stage of the operation. Integrated missions require integrated mission implementation plans (IMIPs).

60. In this respect the Peacebuilding Commission has a crucial role to play as it provides the fundamental input to assist the Secretary-General in catalysing the United Nations system as a whole to develop effective strategies for peacebuilding. This approach would facilitate shared understanding and clarification of the ownership of expected accomplishments/indicators of achievement, which would help to improve the measurability of indicators, already highlighted as an issue above.

61. DPKO acknowledged that fully applying the concept of integrated mission planning has proved difficult, given that different organizations, agencies and programmes have different cultures, and that in many instances the objectives are not shared. The first IMTF was established in 2001 to facilitate the planning for the peace operation in Afghanistan. The IMTF mechanism was also used in planning for the mission in Liberia. Many of the attributes of the IMTF concept and practices have been adapted and applied by mission planning groups, as reflected in the planning processes for the operational transitions in the Democratic Republic of the Congo and East Timor, and the planning for new missions in Burundi, Côte d'Ivoire, Liberia, Haiti, Iraq and the Sudan. DPKO adopted an integrated mission-planning template in February 2004. The process has been refined, based on the integrated mission planning experiences since 2001. However, there is a need to improve and properly apply mechanisms to integrate planning, structures and operations.

62. In this regard, DPKO indicates that the Secretary-General's Policy Committee has mandated a review of the integrated mission planning process, and therefore all questions about the nature of planning for PKOs will be subject to that review. DPKO is leading the review, which will better define the roles and responsibilities of the participating parties. Additionally, DPKO, in its comments, considered it premature for the current report to go into detail with proposals to synchronize and harmonize the RBB and integrated mission planning processes. On the contrary, in the Inspectors' opinion, DPKO should seriously take into account the findings of this external, independent evaluation by JIU in the above-mentioned internal review.

B. Consolidated planning, use of mission implementation plans and results-based budgeting frameworks

63. The Inspectors noted that MIPs and RBB frameworks are currently two separate exercises. This fact again demonstrates that RBB is not used as a managerial tool. It is understood that there is a need for an initial plan, to be taken as a starting point, as the basis for the subsequent elaboration of RBB frameworks. This was how MIPs were originally conceived, but when RBB frameworks are in place, they should be the "de facto MIP", as they detail the mission objective, the expected accomplishment for each mission component, and the outputs to be delivered within each budget year. The improper use of MIPs and RBB frameworks contributes to the misleading perception by

substantive management of RBB as a mere budgeting exercise. This point is also implicit in General Assembly resolution 59/296, which requests "the Secretary-General to integrate operational, logistical and financial aspects fully in the planning phase of peacekeeping operations by linking results-based budgeting to the mandate implementation plans of peacekeeping operations". This implies the introduction of a new management component into the current RBB frameworks, thus it highlights the need for RBM.

64. Once IMIP has been developed through a process of integrated mission planning, including the level of estimated resources required and noted by the Security Council and endorsed by the General Assembly, then it should be translated into implementation cycles through the use of RBM frameworks. IMIP, in this regard, would be used as a "one-time long-term" planning instrument. Once RBM frameworks are in place, they become "de facto MIPs", updated regularly through the mission performance analysis to be undertaken systematically during each implementation cycle.

➢ **Recommendation 5**

The Secretary-General, in his capacity as Chairman of CEB, should lead the preparation of an institutional framework within the Board, proposing the operational doctrine, the road map, the rules of engagement and the guidelines for the United Nations system involvement in integrated peace missions, to be submitted for consideration and approval by the respective legislative organs of the United Nations system organizations.

➢ **Recommendation 6**

Besides the development of the proposed institutional framework referred to in recommendation 5 above, the Secretary-General should exercise his authority to enforce full integration and coordination within the United Nations Secretariat and the United Nations funds and programmes throughout the planning, programming, budgeting, monitoring, evaluation and reporting cycle of the integrated peace missions by (*a*) formulating a clear instruction in this respect; and (*b*) designating a leading coordinator department.

➢ **Recommendation 7**

With a view to improving the planning, programming and budgeting exercise, the Secretary-General should ensure that his initial report to the Security Council for new integrated peace missions contains:

(a) An accurate, comprehensive pre-assessment of the situation in the country concerned in all its aspects, drawn from his experience during his good offices and other conflict prevention actions and United Nations system and other partners' actual experience;

(b) A clear statement of the political commitments of the parties involved in the given conflict and other external factors, which may have an impact on the implementation of IMIP; and

(c) A detailed assessment of programme and resource requirements, fully aligned to the proposed expected results/accomplishments, their sources, and the related pre-agreed division of labour among the partners involved (United Nations departments, programmes and funds, specialized agencies and other international organizations and NGOs).

➢ **Recommendation 8**

The Security Council and the General Assembly may wish to adopt the following procedure for approving future new PKOs:

(a) The Security Council approves the initial start-up of the PKO based on the preliminary assessment submitted by the Secretary-General as described in recommendation 7 above, while the General Assembly approves an initial financial commitment;[12]

(b) Once the initial deployment has taken place, the Special Representative of the Secretary-General should prepare a detailed and more accurate IMIP, based on the assessment referred to in recommendation 7 (c) above to be submitted to the Secretary-General, for his review and approval, and subsequently to the Security Council and the General Assembly;

(c) The Security Council considers and approves IMIP as the long-term planning tool for the mission, while the General Assembly approves its programme and financial implications;

(d) The Secretary-General should call the attention of the Security Council and the General Assembly to any cases of discrepancy between the legislative decisions taken by them with a view to reconciling them; and

(e) IMIP may be reviewed in the light of potential changes in the initial assumptions following the same approach described above.

65. The development of the mission's RBB framework currently begins with the issuance of strategic guidance by the Under-Secretary-General of DPKO to the head of mission and with the establishment of designated RBB focal points in all areas of DPKO. The further establishment of budget committees in the missions, by the head of mission, ensures participation at all levels in the formulation of the RBB frameworks. The overall mission objective, through the RBB frameworks, is translated into expected accomplishments and indicators of achievement and related outputs. The RBB frameworks are grouped by components specific to each mission, such as military, human rights, humanitarian, political, etc.

66. The Inspectors noted that the preparation of RBB frameworks is mainly driven by the administrative support units within the different missions. Furthermore, many of the RBB focal points of those missions visited by the Inspectors, mainly within the different substantive components of the missions, and members of the budget committees, have not received any appropriate training on RBB.

67. The responsibility for the translation of Security Council mandates into mission objectives and the subsequent cascading down into specific expected accomplishments for each component are the responsibility of senior substantive management. The head of mission/special representative is accountable for the mission performance and it is his/her ultimate responsibility to set the expected accomplishments for the immediate lower level of management under his/her supervision. Unfortunately, the criteria for selecting heads of mission/special representatives do not include managerial training and sound managerial experience as indispensable prerequisites for the incumbency of such a post.

68. The responsibility for developing RBB frameworks is not consistently exercised across missions. This problem can only be solved when the most senior level of management takes

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[12] This is in line with the Brahimi Report (see footnote 1 above) which indicated that, "once realistic mission requirements have been set and agreed to, the [Security] Council should leave its authorizing resolution in draft form until the Secretary-General confirms that he has received troop and other commitments from Member States sufficient to meet those requirements".

ownership of RBB, as pointed out by the General Assembly in its resolution 59/296, which indicates that "in view of the critical importance of budgets for the effective functioning of missions, the submission of budget proposals from missions to Headquarters should constitute part of the leadership and accountability functions of the Head of Mission/Special Representative".

► **Recommendation 9**

The Secretary-General should instruct DPKO to take steps to move from RBB towards RBM by, inter alia, consolidating the current RBB framework and IMIP into a single planning, programming, budgeting, monitoring, evaluation and reporting exercise.

Benchmark 6

An effective performance monitoring system is in place

Monitoring and reporting performance

69. The financial period 2003/2004 was the first one for which performance was assessed against the planned results-based frameworks, set out in the budget for that period. The division observed at the legislative bodies' level, discussed in previous paragraphs, was maintained in the monitoring and reporting areas. Reporting is currently done through two different mechanisms: the progress report, addressed to the Security Council, and the performance reports on the budgets, prepared at the end of the financial period, addressed to the General Assembly. There are also two major areas in which performance is monitored separately, as if they were not intrinsically related; these are financial performance and substantive performance. This is a non-desirable parallelism in any results-based approach, as resources, or the financial side, are intrinsically linked to expected results, the substantive side. Furthermore, this parallelism cascades down into the use of parallel information systems.

70. Financial performance is monitored through periodic review and analysis of financial data captured in the financial systems in the field as well as at Headquarters. The financial system used in the field is the "SUN" system, while Headquarters uses the Integrated Management Information System (IMIS); substantive performance, for regular budget activities only, is recorded in another system, the Integrated Monitoring and Documentation Information System (IMDIS), which is not used by DPKO. In addition, in March 2003, OPPBF, in collaboration with DPKO, implemented the Funds Monitoring Tool (FMT) to enhance financial performance monitoring. This system, managed in DPKO, collects the financial data from the missions' SUN system each night. It then combines it with the Headquarters data from IMIS to give an up-to-date, combined financial position of the mission's funding. This is particularly useful for senior managers, such as heads of administration, to enable proper decision-making. Field as well as Headquarters personnel have access to this system, so the status of funding is transparent to all, and the data are timely.

71. Substantive performance monitoring is an area subject to considerable improvement at different levels. The Security Council monitors progress towards planned objectives through periodic reports by the Secretary-General. Such reports inform on achievements during the given period and recommend adjustments to, or extensions of, mandates, as appropriate. The progress reports are of a narrative nature and although they describe achievements in different areas within a given operation they do not follow a results approach, they are not factual enough and there is no reference in these reports to the specific RBB framework of the subject operation. In the view of the Inspectors, the progress report is a monitoring tool and, as such, it should reflect progress against the established objectives and expected accomplishments included in the RBB frameworks.

72. In addition to progress reports, substantive performance in relation to the RBB frameworks is reflected in the budget performance reports including the "portfolio of evidence". In the context of a proper application of RBM principles, data should be collected throughout the year by the various components and summarized into the portfolio of evidence to substantiate all actual indicators of achievement and actual outputs, in the performance reports of missions. However, this mechanism theoretically designed, inter alia, to improve monitoring is just a reporting tool, which is not systematically used by missions to monitor regularly performance. It is seen as "paperwork", as an additional administrative burden given that there is no automated information system available to support its introduction. Data to substantiate performance are, in many cases, collected in a rush at the last minute when the performance report is due for submission. The Board of Auditors has recommended the validation of the portfolios of evidence by the resident auditors at the missions. The Inspectors support this approach.

73. A new tool, the enterprise budgeting application, initially scheduled to be launched in mid-2006, as part of the budget instructions for the financial period 2007-2008, will include a provision for the mission to enter planned RBB frameworks for the budgets and to report on RBB frameworks as part of the performance report, including the portfolio of evidence. The enterprise budgeting application project is facing some legal issues during the contract negotiations and, at this point, implementation is foreseen either in July 2006 or in July 2007. This tool is further described in the following paragraphs; it is expected to improve monitoring and reporting capabilities in respect of the application of RBB within peacekeeping missions. The Inspectors welcome this initiative to strengthen further the implementation of RBB; however, it should have been introduced earlier.

74. The General Assembly, in its resolution 57/290 B, requested the Secretary-General "to develop further the link between mission objectives and the resources requested in the proposed peacekeeping budgets for the period from 1 July 2004 to 30 June 2005". Additionally, ACABQ emphasized the importance of developing links between the financial systems and the programme monitoring systems, which are an essential element of results-based budgeting. "The Committee intends to revert to this issue when it considers the next round of peacekeeping budgets in 2006" (A/59/736).

75. Currently, the linkage of resources to outputs is limited and further improvements could be made in this area. Expenditure is finally reported through IMIS, while the RBB frameworks are not included in IMDIS. Additionally neither system is linked and IMDIS is not considered an adequate system for this purpose. There is a need to develop effective cost-accounting systems that could link expenditures to results, and to adopt a programming instrument linking resources to expected results. This is not an issue specific to PKOs, as the same situation is reproduced in the rest of the United Nations Secretariat. There is no management information system currently linking resources and results in any regular budget programme.

76. The OPPBA answer to the need to mitigate the risks inherent in formulating complex and large budgets, with an approved appropriation of some US$5.1 billion, using an Excel-based application, is the enterprise budgeting application. The application will include a provision for the mission to enter planned RBB frameworks for the budgets and to report on RBB frameworks as part of the performance report, including the portfolio of evidence. This would replace the current set of Microsoft Office tables; it would also help to institutionalize a monitoring framework.

77. The policies to monitor RBB performance against the original plan during the year (e.g. frequency and responsibilities of monitoring and reporting within the missions or between the missions and DPKO) and the decision to use or not to use the budget formulation tool for this purpose will rest with DPKO and the missions. RBM practices during the budget year and taking corrective action if results performance is lagging behind, are a day-to-day issue for results-oriented management that goes beyond the formulation of budgetary reports. The budget and performance reports provide a snapshot of the plan and the actual performance on a yearly basis, translating into a proposal to Member States, but do not guide all the management processes in between. The larger role in terms of pushing RBM during the year would be the responsibility of DPKO and the missions.

78. The enterprise budgeting application will not include a facility to monitor expenditures; that is covered by the other, already existing, FMI. The new application is a budget formulation tool. Initially, there will not be an automated link with IMIS, as it is simply not required for covering the functionality of the budget instructions package; in addition IMIS does not support RBB frameworks. The only necessary link is that the "previous budget" included in the performance report, as the baseline against which the missions report expenditures, as well as the "current budget" amounts against which the mission should compare its planned budget amounts and justify variances, should correspond with the allotments in IMIS. The Peacekeeping Financing Division/OPPBA has included in the functional requirements, however, the capacity of the system to allow for automated links in the future with IMIS or any other Enterprise Resource Planning (ERP) system, if required and depending on other choices by the United Nations with regard to information technology/ERPs.

79. The link between results and resources will be the same as currently. Personnel, in terms of number of posts, are attributed to the respective RBB components, but framework elements are not linked to resources with a dollar figure. The Peacekeeping Financing Division, OPPBA indicated that the implications of costing at the component, expected accomplishment or even output level, would be significant, and that this functionality is beyond the scope of the current development of the enterprise budgeting application. OPPBA would need to design a system of cost drivers on operating costs, including time sheets for staff, to plan costs of RBB elements and track expenditures (e.g. like the number and type of passengers on each flight operated by missions, so the total cost of a flight could be distributed among the different mission components depending on the number and type of passengers). This would also apply to land transportation, if different United Nations staff are picked up at the airport, for example: the cost of transportation would have to be determined first, including driver time, petrol, etc., and then distributed to the different mission components depending on the type of staff picked up, number of square feet occupied by the different types of staff in premises, etc. In this regard, there is an ongoing study by consultants at the OPPBA level. It will determine the feasibility of costing elements other than inputs, both for the regular budget and for peacekeeping. This study is expected to be completed in early 2006, and it will provide additional data for the taking of an informed decision in this respect.

80. In the meantime, the Inspectors believe that the currently foreseen functionality of the enterprise budgeting application is enough to take RBB one step further on the way to RBM, and that serious consideration must be given with respect to placing additional administrative burdens (i.e. use of time sheets and the like) on missions, for which it might not be a practical nor a realistic approach. Last but not least, it should be noted that despite the necessary efforts to make PKOs more efficient, their efficiency is frequently subject to political decisions. In any case, the costing at different levels of the RBB framework can only be done once the RBB components are refined, and this is yet another area of work in progress; a thorough cost-benefit analysis would be required to determine the benefits of costing at different levels of the RBB framework.

➢ Recommendation 10

The Secretary-General should:

(*a*) Instruct DPKO/OPPBA to speed up the ongoing efforts to develop the enterprise budgeting application;

(*b*) Ensure that the enterprise budgeting application project is compatible with the information management systems currently in place to support the implementation of RBM.

81. The JIU benchmarking framework for RBM is based on three pillars: the planning-to-evaluation cycle, human resources management policies and the use of information technologies in support of the implementation of a results-based approach. The implementation of a results-based approach cannot be undertaken without a holistic plan that takes into consideration the three pillars.

When RBB was introduced in PKOs some basic supporting tools were developed based on Microsoft Office (Word tables and Excel spreadsheets). However this cannot be considered as "a holistic approach" in the introduction of RBB. In fact some peacekeeping missions have developed their own RBB application to meet their own requirements without the central support of DPKO. Additionally, FMT was introduced in 2003, after the launch of RBB, and the enterprise budgeting application is yet to be developed. The late introduction of the enterprise budgeting application is again a proof of the lack of a comprehensive approach to RBB; information management systems and appropriate supporting tools should have been planned and developed from the outset when RBB frameworks were introduced.

82. The Inspectors believe that reporting should be consolidated into one format-type of report. It would be issued quarterly, like the current progress report, but it should include a synopsis of the RBB frameworks and perhaps a snapshot of the financial situation. Additionally, there would be an more detailed annual report, similar to the current performance report but including, in addition to the current reporting on RBB frameworks and financial data, more detailed narratives on the substantive side. The introduction of RBB elements in the quarterly progress reports would help to improve involvement of substantive management in the application, and understanding of RBB, which would contribute towards changing the current view held by many substantive officials who see RBB as just a budget issue. The blending of substantive and financial information, consolidating progress and performance reports into a unique format, would also provide a comprehensive view of missions in just one instrument.

83. It is to be noted that performance information systems should be supported by a reliable telecommunications infrastructure. This is of particular importance in peacekeeping environments; no problems could be found in this area during the missions undertaken by the Inspectors.

► **Recommendation 11**

In order to consolidate and demonstrate the improved efficiencies and benefits realized by RBB, the Secretary-General should consolidate the current progress and performance reports related to the RBB frameworks into single reports addressed to both the Security Council and the General Assembly. The first type would be issued quarterly, like the current progress report, but should include a synopsis of the RBB frameworks, including a snapshot of the financial situation. The second type would be a more detailed annual report, similar to the current performance report, but including, in addition to the current reporting on RBB frameworks and financial data, more detailed narratives on the substantive side.

Benchmark 7

Evaluation findings are used effectively

Evaluation in the Department of Peacekeeping Operations

84. The evaluation findings and recommendations must be used effectively through timely reporting and feedback and serve as the main basis for the upcoming programme planning, budgeting, monitoring and evaluation cycle, as well as for policy development. In addition to these "ex post" evaluations, "real-time" evaluations during an operation's process should also be enhanced to achieve specific objectives (expected accomplishments).

85. Evaluation is a weak area in DPKO; in fact the term is often confused with auditing, as several managers referred to OIOS when asked about evaluation mechanisms within DPKO. Evaluation as defined by the Organization for Economic Cooperation and Development (OECD) is:

> The systematic and objective assessment of an on-going or completed project, programme or policy, its design, implementation and results. The aim is to determine the relevance and fulfillment of objectives, development efficiency, effectiveness, impact and sustainability. An evaluation should provide information that is credible and useful, enabling the incorporation of lessons learned into the decision-making process.
>
> Evaluation also refers to the process of determining the worth or significance of an activity, policy or program. An assessment, as systematic and objective as possible, of a planned, on-going, or completed intervention.
>
> Note: Evaluation in some instances involves the definition of appropriate standards, the examination of performance against those standards, an assessment of actual and expected results and the identification of relevant lessons.[13]

86. The introduction of RBB frameworks has helped some managers to evaluate their performance better but, as previously indicated, RBB is not used systematically as a managerial tool and performance is monitored and reported against pre-established targets mainly when the performance report is due at the end of the budget cycle. The use of RBB frameworks as an evaluation element is left to the individual criteria of management within missions and some missions find RBB to be a useful managerial tool and make good use of it; evaluation is mainly conducted in an ad hoc manner. Self-evaluation is used instinctively by management, without specific evaluation training, or common guidance provided by DPKO headquarters on evaluation techniques.

87. The impact of RBB and the commitment towards its implementation are perceived better in field operations than they are at DPKO headquarters. Some PKOs have seen the advantages of using RBB techniques for their own management and they have developed their own tools individually without enough support from Headquarters. As an example it is worth mentioning a monitoring and reporting tool, based on Lotus Notes and developed by the United Nations Mission in Sierra Leone (UNAMSIL), which keeps track of the status of implementation of RBB frameworks, facilitating ongoing and systematic monitoring and subsequent reporting and evaluation. The Inspectors consider this initiative as a benchmark regarding the implementation of RBB in PKOs.

88. There is no formal evaluation responsibility within DPKO.

Following the Secretary-General's approval in 2003, DPKO established an evaluation function within the Military Division, which is tasked to evaluate and report on military standards and policy issues in peacekeeping missions as well as to make observations on specific issues at the request of the Under-Secretary-General for Peacekeeping Operations. The report of the Secretary-General (A/60/640) acknowledges the existence of some capacity in the Secretariat to evaluate the military and police components.[14]

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[13] *Glossary of Key Terms in Evaluation and Results Based Management* (Paris, OECD, 2002).

[14] Official comments received from DPKO.

However, this cannot be considered as a uniform evaluation capacity within DPKO, as the evaluation team is usually led by external consultants (i.e. retired generals or police commissioners).

89. A Peacekeeping Best Practices Section has been established. The Section assists in the planning, conduct, management and support of PKOs by learning from experience, problem-solving and transferring best practices in United Nations peacekeeping. To this end, it undertakes a broad range of activities and work, including: (*a*) knowledge management; (*b*) policy analysis and development; and (*c*) lessons learned. The overall goal is to develop and support a culture of best practices in United Nations peacekeeping by helping to establish and develop the mechanisms and working habits for sharing knowledge.

90. In the view of the Inspectors a "Best Practices Section" cannot fulfil its intended role without evaluation capabilities; it should, inter alia, provide appropriate central support and guidance for self-evaluation. Furthermore, lessons can only be learned when actual results are assessed against expected results and a subsequent analysis determines that there is a lesson to be learned, either good or bad, as bad practices are also to be shared as a learning experience.

► Recommendation 12

The Secretary-General should:

(*a*) Formally institutionalize programme self-evaluation as an integral element of the PKO monitoring system; and

(*b*) Provide the Peacekeeping Best Practices Section with adequate evaluation capacity to assist PKOs in their self-evaluation exercises and undertake thematic evaluations.

Benchmark 8

Results-based management is effectively internalized throughout the organization

Internalization of results-based management within the Department of Peacekeeping Operations: need for training

91. The effective internalization of RBM throughout any given organization is a key success factor for its implementation. This implies the definition of a clear institutional responsibility within the subject organization to assist and oversee the orderly and systematic introduction of RBM and ensure its coherent implementation; DPKO has established RBB focal points at Headquarters as well as in missions, which are replicated within the different components of each mission and this is a positive initiative.

92. Effective internalization requires the development of a training strategy that would promote management change throughout the organization and through which managers and staff at all levels would be familiarized with RBM concepts and requirements, and their impact on their own work.

93. The first training initiatives in RBB were undertaken in 2002, with the development of a regional workshop for all peacekeeping missions (Turin workshop). Additionally, some RBB training workshops (Cyprus, 2003 and Marrakech, 2005) have taken place; the RBB workshops held in 2002 and 2003 were designed and conducted by the Peacekeeping Financing Division/OPPBA, while the 2005 workshop was led by DPKO with the participation of the former. Prior to the introduction of RBB by PKOs, a training programme was conducted for heads of administration and chief budget officers in order to promote a common understanding of RBB. The workshops addressed theory and practice, conceptual and methodological issues, with a view to providing clear definitions,

Subsequent annual workshops with senior management officials of the different missions allowed the Secretariat to improve harmonization of RBB concepts and methodologies among all its operations. The Finance Management and Support Service (FMSS)/DPKO, in its role of providing support and training/guidance on financial/budgetary matters to PKOs, has incorporated RBB in its programme of work as of 2004. FMSS, in partnership with the Peacekeeping Financing Division, has conducted several budget workshops, which included training on RBB for mission personnel in the United Nations Mission in Liberia (UNMIL), the United Nations Operation in Côte d'Ivoire (UNOCI), MINUSTAH, the United Nations Interim Administration Mission in Kosovo (UNMIK), the United Nations Operation in Burundi (ONUB) and the United Nations Mission in the Sudan (UNMIS); according to DPKO the participants in the workshops included RBB focal points.

94. Staff consider PKOs as a temporary assignment owing to the stringent conditions of service. Additionally, assignments to PKOs are not rewarded appropriately, and they have no major impact on future career development. As a consequence, there is a high turnover of staff, which represents a serious challenge with regard to the maintenance of sound and up-to-date knowledge within PKOs, including RBB. As many papers have pointed out, RBB is not an event, it does not happen overnight, it is an ongoing process performed by people, and thus it is necessary to find the appropriate training and knowledge-sharing mechanisms to maintain a reasonable level of competency in the application of RBM within missions. The Inspectors noticed that most of the RBB focal points within the different components of those field missions visited had not received any training at all in RBB.

95. Several workshops have already taken place but this type of training, although necessary, is not sufficient given the high turnover rate. It should be supplemented by a greater effort in the use of information technologies for training purposes. The Inspectors believe that a higher allocation of training resources, both human and financial, is needed. DPKO is responsible for the backstopping of PKOs and should focus on training staff and keeping reasonable knowledge within missions.

96. A training strategy needs to be developed with a mid to long-term perspective as requested by the General Assembly in its resolution 59/296. The strategy should take into consideration the high turnover rate and the need to systematize training processes; additionally it should look at effective and flexible training mechanisms and tools, such as a greater use of information technologies and online training modules. It should place special emphasis on substantive management training, and mandatory induction programmes. Induction training for newly recruited staff, including substantive senior management, is considered a high priority. Some training materials have been developed, but more effort is needed in order to facilitate the implementation of RBB. In this respect, there is no need to reinvent the wheel; within the United Nations system there is a considerable amount of RBM training material, including online modules, which could easily be adapted to the needs of PKOs.

97. Training is the first step towards solving one of the major issues regarding the application of a results-based approach in PKOs; there is a need for a common understanding of the concept and this is applicable across different departments within the Secretariat, as well as from the top down, from legislative bodies, including senior substantive management, down to individuals; in this respect the Security Council might also benefit from a briefing on results-based techniques.

► Recommendation 13

DPKO should develop an RBM training module, based on the JIU benchmarking framework for RBM and other modules developed by other United Nations system organizations and the United Nations Staff College, to train all staff of PKOs, in priority senior management and the RBM focal points. This module should be available online and systematically used in the induction of all staff hired for serving in PKOs. It should also be made available to members of the Security Council, the Fifth Committee of the General Assembly, and the Special Committee on Peacekeeping Operations, ACABQ, the Board of Auditors, OIOS, JIU and any other body concerned with PKOs, for self-training purposes. Furthermore, the Secretary-General should

organize briefing/training sessions that are open to the participation of members of the organs and bodies mentioned above.

Benchmark 9

A knowledge-management strategy is developed to support results-based management

98. Knowledge management can be an important managerial tool to reinforce and complement RBM. A comprehensive knowledge management strategy should take into consideration the cross-functional nature of the issue, involving different areas of the operations from human resources to information and communication technology services. There is no comprehensive knowledge management strategy within DPKO, although there are some initiatives in this respect led by the Peacekeeping Best Practices Section as indicated above in this report.

Management issues

99. The above benchmarks complete the first part of the JIU benchmarking framework, which is dedicated to the planning-to-evaluation cycle. Nevertheless, the Inspectors believe that a proper application of RBB in PKOs implies taking action on issues that are part of other management areas, such as human resource management, information management systems, etc. The following paragraphs highlight those areas not theoretically included under RBB, but more in a comprehensive RBM approach. However, the Inspectors consider them important in the implementation of any results-based approach.

100. Delegation of authority and accountability in particular need to be discussed in the context of this report. It has been pointed out that there is an urgent need to develop further the RBM approach within PKOs. This would entail, among other things, enhancing accountability and increasing authority delegated to peacekeeping missions in financial and human r source management (i.e. individual performance management through the electronic performance appraisal system (e-PAS), rewards and sanctions, local recruitment, etc.), as well as in the financial area.

1. Delegation of authority

101. "The primary objective of delegation of authority is to foster more efficient use of all the resources and facilitate the emergence of more agile and responsive organizations, thus enhancing overall performance. Delegation of authority is thus a prerequisite for the successful implementation of results-based management: to be accountable for results, managers have to be duly empowered through clear delegations of authority in all areas, including, and in particular, human resources management. As in the private sector, there has been a marked trend in public administrations towards the creation of a more trusting and less restrictive management style through greater delegation of authority to line managers. What is advocated is no longer the delegation of authority to managers for the sake of expediency which has always existed for a number of administrative procedures, but rather a complete change in management culture."[15]

102. In general, there is a clear, institutionalized chain of command, cascading down from the highest legislative authority to the lowest level of the PKOs.

103. "The peacekeeping missions themselves have also evolved substantively in the past years into complex operations of a multidimensional character with their own intellectual, managerial and logistical capacities. Considerable authority has been delegated by Headquarters to the field, and this

[15] "Overview of the series of reports on managing for results in the United Nations system" (JIU/REP/2004/5).

trend is expected to continue."[16] The Inspectors welcome this approach and firmly believe that flexibility and delegation of authority in PKOs should be revised and increased, in the financial as well as in the human resource management areas.

104. One of the prerequisites for a sound delegation of authority in the implementation of a results-approach is that management should demonstrate the required competencies. The responsibility for the translation of Security Council mandates into mission objectives and the subsequent cascading down into specific expected accomplishments for each component is the responsibility of senior substantive management. The head of mission/special representative is accountable for the mission performance and it is his/her ultimate responsibility to set the expected accomplishments for the immediate lower level of management under his/her supervision. Unfortunately, the criteria for selecting heads of mission/special representatives do not include managerial training and sound managerial experience, nor training in RBM, as some of the indispensable prerequisites for the incumbency of such a post.

105. Management in PKOs should be empowered through appropriate training and through effective central support services to be provided by DPKO. Emphasis needs to be placed on adequate managerial competencies in the recruitment of new managers and placement, promotion or reassignment of staff to managerial positions, as well as on the participation of current managers in leadership and management development programmes. Management cannot be held accountable unless management is empowered through training and support, flexibility in the use of resources allocated and commensurate authority.

2. Accountability

106. In its framework for human resources management, the International Civil Service Commission (ICSC) defines accountability as a:

> Concept which implies taking ownership of all responsibilities and honouring commitments, delivering outputs for which the staff member has responsibility within prescribed time, cost and quality standards; operating in compliance with organizational regulations and rules; supporting subordinates, providing oversight and taking responsibility for delegated assignments; taking personal responsibility for personal shortcomings as well, where applicable, those of the work unit.[17]

107. As an example of accountability without proportionate authority, a Force Commander indicated the difficulty in producing certain outputs under his responsibility (i.e. air patrol hours) when he had to ask civilian authorities for authorization every time he needed to conduct flight operations. In addition he also indicated that troops under the United Nations flag are not uniform in terms of training, equipment, etc., an issue difficult to solve. It should be noted that it makes the sensible deployment of troops a complicated exercise; the situation is further compounded by the specific conditions set by Member States providing troop contingents and by the fact that they are regulated through individual memorandums of understanding.

108. Situations such as those described in the above paragraph do not promote the required ownership of the outputs to be delivered and without ownership there is no accountability. The improvement needed in the measurability of the different elements of the RBB frameworks should also be coupled with increased accountability and commensurate delegation of authority, since "staff delegated with a particular authority need to know what they are accountable for and staff who delegate the authority need to have the same understanding of what they expect from the staff to

[16] "Financial performance report for the period from 1 July 2003 to 30 June 2004 and proposed budget for the support account for peacekeeping operations for the period from 1 July 2005 to 30 June 2006: report of the Advisory Committee on Administrative and Budgetary Questions" (A/59/784 of 18 April 2005).
[17] ICSC, "A Framework for Human Resources Management", Glossary, p. 20.

whom the authority is delegated".[18] The consistent commitment and involvement of management at all levels, starting with senior management are crucial in this respect.

109. Managerial flexibility is a must in a results approach; if properly applied, it could be a powerful motivating force for managers to produce additional savings. RBB is also perceived by managers as a tool to identify additional savings. In this regard, the current system does not serve well as an incentive to generate additional savings, as managers believe that savings in current budgets will translate into future budget cuts. Thus the current system promotes expenditure and overbudgeting, while a higher degree of managerial flexibility could promote savings, if savings were redeployed somewhere else within the operation if needed, instead of being propitiously used for future budget cuts. It should also be realized that RBM is a flexible approach to planning and decision-making as indicated in the series of reports on RBM prepared by JIU, that clearly refer to the need for "[i]dentifying underperforming, obsolete or marginal programmes and activities over time and shifting resources not only to those that have proved to be efficient and relevant, but also to those programmes considered to be of the highest priority".[19]

110. The redeployment of savings, for example into quick impact projects administered by the mission, could be an incentive for management to save, promoting a better use of resources. This proposal was included in the Brahimi Report,[20] which called for "flexibility for heads of United Nations peace operations to fund 'quick impact projects' that make a real difference in the lives of people in the mission area". An environment where unforeseen and external factors have such an important influence demands higher flexibility in management, which should be able to react to changes quickly without being hampered by excessively overregulated surroundings. However increased delegation of authority and increased flexibility should be matched by increased accountability.

► Recommendation 14

The Secretary-General should undertake a review of human resources management in all its aspects within PKOs, with a view to realigning policies, regulations, rules, procedures and practices to the specific needs of the PKOs in an RBM framework and present a revised HRM policy framework for consideration and approval of the General Assembly at its sixty-first resumed session.

111. "Accountability is applicable at all levels, from the top down. The executive heads and the heads of major organizational units are therefore the first to be held accountable for the results that they are expected to deliver."[21] The Performance Appraisal System (PAS) is the main tool in place to assess performance of individuals; it is the most effective way to exercise accountability at the individual level. However, it is not consistently used in DPKO and PKOs, as individual work plans are not always properly connected with mandated programmes and it does not cover all levels of hierarchy (only D2 level staff and below are regularly assessed). A comprehensive implementation of RBM demands a change in accountability mechanisms, since performance-oriented systems of accountability should replace traditional, compliance-based systems.

112. The leadership and senior management are the first to be held accountable for results and it is their responsibility to show unfaltering commitment to the implementation of the results-based approach. As discussed in this report, this is an area subject to improvement; several papers have called for stronger leadership involvement regarding the implementation of RBB, and the Inspectors reconfirm this. The evolution of RBB into RBM will fail without stronger commitment on the part of all levels in the hierarchy, and in particular at the very top of the organization.

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[18] United Nations Educational, Scientific and Cultural Organization (UNESCO), DG/Note/02/11 of 21 May 2002.
[19] JIU/REP/2004/5 (see footnote 15 above).
[20] See footnote 1 above.
[21] JIU/REP/2004/5 (see footnote 15 above).

3. Oversight

113. Audit is:

> An independent, objective assurance activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to assess and improve the effectiveness of risk management, control and governance processes.
>
> Note: a distinction is made between regularity (financial) auditing, which focuses on compliance with applicable statutes and regulations; and performance auditing, which is concerned with relevance, economy, efficiency and effectiveness. Internal auditing provides an assessment of internal controls undertaken by a unit reporting to management while external auditing is conducted by an independent organization.[22]

114. The role of OIOS in PKOs is that of an internal auditor; resident auditors are located in each PKO and missions are audited annually; they report to OIOS, not to DPKO. The Board of Auditors conducts external audits. In this respect, the Inspectors noted an important degree of what could be defined as "oversight fatigue". DPKO management indicated that "the Department is currently undergoing 28 different types of audit", some of them overlapping. As an example, while JIU has been mandated to produce this report, the General Assembly, in its resolution 59/296, has also requested "the Secretary-General, as a matter of priority, to entrust the Office of Internal Oversight Services with a comprehensive management audit to review the practices of the Department of Peacekeeping Operations ... in the following operational areas: finance, including budget preparation ...".

115. The excess of non-coordinated oversight activities creates confusion and could lead to contradictory guidance from the different players involved (DPKO, DPA, OPPBA, OIOS, Board of Auditors, JIU, ACABQ and the Security Council). In this regard, the Inspectors believe that there is an excessive level of micromanagement, which goes against the principles of any results-based approach. The General Assembly should reconsider how oversight guidance on peacekeeping should be channelled, coordinated and followed up in a structured and systematic manner. In order to avoid contradictory guidance, the first step is to promote common understanding among the different actors involved, including the legislative bodies, through the use of a common language in respect of RBM.

► Recommendation 15

The General Assembly should call on the oversight and control bodies, both external and internal, including ACABQ, the Board of Auditors, OIOS and JIU, to:

(a) Adhere to their advisory and mutually complementary functions vis-à-vis the General Assembly and the Secretary-General, so refraining from interfering in the management of PKOs; and

(b) Coordinate their oversight and control activities with a view to avoiding overlapping, duplications and potentially contradictory guidance in their coverage of PKOs.

4. Performance management

116. There is general consensus on the issue of the current inappropriate cycles regarding financial and human resource management activities. Currently, it takes about a year from the time budget proposals are prepared until they are approved. The RBB budget process usually begins with strategic guidance issued by DPKO in late May each year. Preparation of RBB frameworks follows in June and the preparation of cost estimates is usually done between July and September of a given

[22] See footnote 13 above.

year. Discussion on proposals among OPPBA Peacekeeping Financing Division, DPKO and the missions takes place during the period September to December. Final budget proposal documents are sent for editing and translation, so they are ready by February; the General Assembly considers them at its resumed session and final approval is given around May/June. PKOs are subject to a considerable number of external and unforeseen factors compounded by fast-changing environments. A year is a very long period in peacekeeping.

117. The electronic performance appraisal system (e-PAS) follows its own annual cycle starting in April each year. It is inconsistent to use different cycles to assess staff performance and mission performance, as they are closely linked. In fact, PKOs are forced to adapt to different support functions, such as budget and human resources, which follow different cycles. The Inspectors believe that it should be the other way around; support functions should be the ones to adapt to the needs of operations.

118. The excessive time lapse between the preparation of budget proposals by the missions, including RBB frameworks, and the final approval by the General Assembly, makes the planning exercise a complex one. In particular the setting of objectives/expected accomplishments/outputs so long in advance is impractical; furthermore, it could lead to unrealistic RBB frameworks, which could become obsolete just after, or even before, they have been approved. The Inspectors share this concern and the Secretariat should assess the process of preparation of budget proposals in order to make it shorter and more efficient. According to DPKO, the DPKO/Department of Management Working Group on the Budget Process is reviewing the current time frames and will make proposals for appropriate changes in the time allocation between the two departments.

119. The Inspectors noticed certain redundancies in the interfacing of DPKO/EMSS and OPPBA/Peacekeeping Financing Division. This is an area where some efficiency gains could be expected with a view to shortening the budget proposal preparation process. The analysis of these potential inefficiencies goes beyond the scope of this report, but it is expected that this issue will be dealt with in the context of the preparation of the review to be undertaken by OIOS as mandated by the General Assembly in its resolution 59/296.

120. Peacekeeping missions are overloaded with continuous bureaucratic work not related to implementation, and an excessive amount of time is spent on the preparation of programme budget proposals and reporting on different issues, when time should be spent mainly in implementation and operational activities. Paradoxically, activities under the regular budget of the United Nations have their budget proposals prepared on a biennial basis, while PKOs are subject to an annual budget cycle.

121. Peacebuilding takes time. The feasibility of applying longer-term budget cycles in peacekeeping should be explored and in this respect the Inspectors believe in the benefit of using longer-term planning cycles, which should include an indicative amount of resources, combined with shorter cycles for the firm appropriation of resources, which could be linked to the renewal of mandates; this approach could help in reducing the current excess of non-operational work within the peacekeeping missions. In fact, the current financial cycle goes beyond the mandate for certain operations; furthermore, the reality of PKOs requires financial commitments beyond mandates (i.e. fuel suppliers require contractual guarantees to recover their initial investment in the infrastructure needed to supply PKOs).

122. Performance management systems should communicate and clarify organizational goals to staff and align individual performance expectations with mission goals. There is a direct link between the individual performance of staff and programmatic performance. A shared understanding of the potential impact of an individual staff member's performance on programme delivery during the evaluation period requires the alignment of the performance appraisal cycle with the PKO budget cycle. Performance management systems should be seen as managerial tools that help the operations run, direct and control their resources on a day-to-day basis.

123. A sound results-based approach within PKOs would require the cascading of mission objectives, through components, divisions, sections and units down to the individual level; in this respect, it is inconsistent to evaluate staff performance, through the use of e-PAS, using a cycle different to the one in which the performance of a given PKO is assessed. There is no sense in this approach and given the fact that the United Nations deals with the financial aspects of peacekeeping in a specific way, through dedicated units, such as the Peacekeeping Financing Division, it should also consider dealing with human resource management for peacekeeping staff in a corresponding manner, meaning, inter alia, that the e-PAS cycle should be adapted to the needs of PKOs and not the other way around.

▶ Recommendation 16

The Secretary-General should:

(*a*) Review the current disparity between the financial and human resource management cycles with a view to submitting a recommendation to the General Assembly to harmonize them; and

(*b*) In the context of the preparation of the review to be undertaken on the subject by DPOS, streamline the process from the stages of preparation to the submission and approval of peacekeeping budget proposals.

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Joint Inspection Unit

Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Note by the Secretary-General

Addendum

The Secretary-General has the honour to transmit for the consideration of the members of the General Assembly his comments on the report of the Joint Inspection Unit entitled "Evaluation of results-based budgeting in peacekeeping operations" (JIU/REP/2006/1) (see A/60/709).

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Summary

The report of the Joint Inspection Unit was prepared in response to the request of the General Assembly in paragraph 7 of its resolution 57/290 B "to submit to the General Assembly at its resumed sixtieth session an evaluation of the implementation of results-based budgeting in peacekeeping operations". The Secretary-General welcomes the Joint Inspection Unit's acknowledgement of the positive trend, in particular in the application of results-based budgeting frameworks in certain field operations and the progress thus far achieved since its introduction in 2002, noting that the application of results-based budgeting in peacekeeping operations has facilitated a greater understanding of the need to focus on the achievement of results.

I. General comments

1. The Joint Inspection Unit was requested by the General Assembly in paragraph 7 of its resolution 57/290 B, "to submit to the General Assembly at its resumed sixtieth session an evaluation of the implementation of results-based budgeting in peacekeeping operations". The report of the Joint Inspection Unit goes beyond the request of the General Assembly and focuses mainly on an application of results-based management based on the Joint Inspection Unit's own prescribed results-based management framework, which was set out in its previous reports entitled "Managing for results in the United Nations system" (JIU/REP/2004/5-8).

2. It is therefore worth reiterating the views expressed in the second paragraph of the summary of the note by the Secretary-General (A/59/617/Add.1) responding to those reports: "While agreeing, in principle, on the practical benefits of utilizing the benchmarks suggested in the report by which performance and efficiency may be judged, most CEB [United Nations System Chief Executives Board for Coordination] members observe that each organization of the system would need to adapt the proposed benchmarks to its particular circumstances, programmes and outputs before they could be applied." These comments apply equally to the application of the recommended benchmarking framework to the peacekeeping context.

3. The Department of Peacekeeping Operations is in the process of implementing organizational and managerial initiatives that would address some of the concerns raised by the Joint Inspection Unit. The initiatives, which are being undertaken in consultation with the Department of Management, address issues on the ongoing reform agenda, including budget review, departmental restructuring, the new integrated mission planning process, the redefinition of staffing and conditions of service, and the further development of results-based budgeting. The Secretary-General's Policy Committee has mandated a review of the integrated mission planning process, and all questions relating to planning for peacekeeping operations are subject to that review.

4. With regard to the Joint Inspection Unit's findings that the preparation of results-based budgeting frameworks is done mainly by administrative support units, it must be noted that all missions have a substantive staff member as the overall results-based budgeting focal point. Usually, it is the Chief of Staff, except in small missions. In missions headed by a Force Commander (e.g., the United Nations Interim Force in Lebanon and the United Nations Disengagement Observer Force), a senior military person may serve as a results-based budgeting focal point. Similarly, the Office of Operations acts as the overall results-based budgeting focal point in the Department of Peacekeeping Operations. Results-based budgeting workshops, beginning with the one held in July 2003 in Cyprus, have included some substantive and senior military staff in addition to chief administrative officers and chief budget officers. Substantive staff prepared draft results-based budgeting frameworks for their missions at these workshops and in many cases returned to their missions as the results-based budgeting focal points. The mission administration prepares the support component only. The administration cannot draft the support component of the results-based budgeting framework until the substantive areas have prepared their own frameworks, as the support outputs are driven by substantive-area outputs. Many of the results-based budgeting focal points have been adequately trained in preparing such frameworks. During 2005, results-based budgeting workshops were

held at the United Nations Operation in Côte d'Ivoire, the United Nations Stabilization Mission in Haiti, the United Nations Interim Administration Mission in Kosovo, the United Nations Operation in Burundi and the United Nations Mission in the Sudan. The participants in the workshops included results-based budgeting focal points. They were provided with specific guidance on drafting their frameworks. In addition, many results-based budgeting focal points and budget committee members in other missions received prior training and were issued with training materials. Most of the results-based budgeting focal points for support components are the chief budget officers, who have received results-based budgeting training. In parallel, and in consultation with mission leadership counterparts, Department of Peacekeeping Operations managers are integrally involved in the exercise — from the formulation of strategic guidance to initiate the process, to the planning aspects and substantive elements comprising the results-based budgeting frameworks, to the approval of the latter and decisions on financial and material support for mandate implementation.

II. Specific comments on recommendations

Recommendation 1

The General Assembly, in pursuance of its resolution 55/231, may wish to request the Secretary-General to develop any feasible measures for the implementation of results-based management and apply them gradually towards its full implementation in peacekeeping operations.

5. The Secretary-General takes note of the recommendation.

Recommendation 2

The Secretary-General should develop a concrete proposal to assist the Security Council in the adoption of coherent and consistent mandates and objectives for peacekeeping operations and the provision of related resources for their actual implementation and submit the proposal to the relevant organs for consideration and approval.

6. The Secretary-General agrees that there should be more consistency in mandates and objectives. He stands ready to make detailed proposals in this regard to the Security Council, the legislative body responsible for establishing mandates of peacekeeping operations, if requested to do so.

Recommendation 3

The Secretary-General should ensure that his reports to the Security Council and the General Assembly on peacekeeping operations conform with results-based management principles, methodology and benchmarks, in particular with regard to the need for proposing specific, measurable, attainable, relevant and time-bound (SMART) mandates and objectives.

7. The budgetary reports to the General Assembly conform with results-based management principles in that they link proposed resources with planned results.

Recommendation 4

Since the nature of peacekeeping operations has evolved so that they are complex, multidimensional operations, the General Assembly should revisit the recommendation contained in the report of the Panel on United Nations Peace Operations (see A/55/305-S/2000/809) requesting the Secretary-General to establish an entity, referred to as the Executive Committee on Peace and Security Information and Strategic Analysis Secretariat, that would support the information and analysis needs of all members of the Executive Committee on Peace and Security, and approve it.

8. The recommendation is noted. The Department of Peacekeeping Operations continues to support the establishment of an Information and Strategic Analysis Secretariat capacity to aid the information and analysis needs of the members of the Executive Committee on Peace and Security.

Recommendation 5

The Secretary-General, in his capacity as Chairman of CEB, should lead the preparation of an institutional framework within CEB, proposing the operational doctrine, road map, rules of engagement and guidelines for the United Nations system involvement in integrated peace missions, to be submitted for consideration and approval by the respective legislative organs of the United Nations system organizations.

9. The Secretary-General takes note of the recommendation.

Recommendation 6

Besides the development of the proposed institutional framework referred to in recommendation 5 above, the Secretary-General should exercise his authority to enforce full integration and coordination within the United Nations Secretariat and the United Nations funds and programmes throughout the planning, programming, budgeting and monitoring, evaluation and reporting cycle of the integrated peace missions by (a) formulating a clear instruction in this respect and (b) designating a leading coordinator department.

10. The Secretary-General takes note of the recommendation.

Recommendation 7

With a view to improving the planning, programming and budgeting exercise, the Secretary-General should ensure that his initial report to the Security Council regarding a new integrated peace mission contains:

(a) An accurate, comprehensive pre-assessment of the situation in the country concerned in all its aspects, drawn from his experience during his good offices and other conflict-prevention action and actual experience of the United Nations system and other partners;

(b) A clear statement of the political commitments of the parties involved in the conflict and other external factors that may have an impact on the implementation of the integrated mission planning process;

(c) A detailed assessment of programme and resource requirements, fully aligned with the proposed expected results/accomplishments, their sources and the related pre-agreed division of labour among the partners involved (United Nations departments, programmes and funds, specialized agencies, other international organizations and non-governmental organizations).

11. Inputs of the Secretary-General to the deliberations of the Security Council during its initial consideration of new integrated peace missions are consistent with the recommendation. However, the Secretary-General would require the guidance of the General Assembly with regard to part (c) of the recommendation.

Recommendation 8

The Security Council and the General Assembly may wish to adopt the following procedure for approving future peacekeeping operations:

(a) The Security Council approves the initial start-up of the peacekeeping operations based on the preliminary assessment submitted by the Secretary-General as described in recommendation 7 above, while the General Assembly approves an initial financial commitment;

(b) Once the initial deployment has taken place, the relevant Special Representative of the Secretary-General should prepare a detailed and more accurate integrated mission planning process, based on the assessment referred to in recommendation 7 (c) above, to be submitted to the Secretary-General for his review and approval, and subsequently to the Security Council and the General Assembly;

(c) The Security Council considers and approves the integrated mission planning process as the long-term planning tool for the mission, while the General Assembly approves its programme and financial implications;

(d) The Secretary-General should call the attention of the Security Council and the General Assembly to discrepancies between their legislative decisions with a view to reconciling them;

(e) The integrated mission planning process may be reviewed in the light of potential changes of the initial assumptions following the same approach described above.

12. Any change in the current procedures would require the consideration and approval of the appropriate legislative bodies. The Secretariat will participate in the discussion and consideration of the various elements of the recommendation.

Recommendation 9

The Secretary-General should instruct the Department of Peacekeeping Operations to take steps to move from results-based budgeting towards results-based management by, inter alia, consolidating the current results-based budgeting framework and the integrated mission planning process into a single planning, programme budgeting, monitoring evaluation and reporting exercise.

13. The Secretary-General is prepared to give consideration to the recommendation. This is in keeping with his attempts to reform the United Nations into a more results-oriented organization. As stated in the summary of his recent

report entitled "Investing in the United Nations: for a stronger Organization worldwide" (A/60/692 and Corr.1), "the budget and planning process should be explicitly linked to results and managerial performance, as part of a more rigorous monitoring and evaluation framework."

Recommendation 10

The Secretary-General should:

(a) **Instruct the Department of Peacekeeping Operations/Office of Programme Planning, Budget and Accounts to speed up the ongoing efforts to develop the enterprise budgeting application;**

(b) **Ensure that the enterprise budgeting application project is compatible with the information management systems currently in place to support the implementation of results-based management.**

14. The enterprise budgeting application is planned to be rolled out in June 2007. The originally planned launch date of June 2006 is no longer feasible due to legal issues with the originally selected vendor during the contract negotiation phase.

Recommendation 11

In order to consolidate and demonstrate the improved efficiencies and benefits realized by results-based budgeting, the Secretary-General should consolidate the current progress reports and performance reports related to the results-based budgeting frameworks into single reports addressed to both the Security Council and the General Assembly. The first type would be issued quarterly, like the current progress reports, but it should include a synopsis of the results-based budgeting frameworks, including a snapshot of the financial situation. The second type would be a more detailed annual report, similar to the current performance reports but including, in addition to the current reporting on results-based budgeting frameworks and financial data, more detailed narratives on the substantive side.

15. The Secretariat will explore the suggestion of including more detailed narratives on the substantive side in the budget performance reports.

Recommendation 12

The Secretary-General should:

(a) **Formally institutionalize programme self-evaluation as an integral element of the Department of Peacekeeping Operations monitoring system;**

(b) **Provide the Peacekeeping Best Practices Section with adequate evaluation capacity to assist peacekeeping operations in their self-evaluation exercise and undertake thematic evaluation.**

16. The Department of Peacekeeping Operations conducts extensive self-evaluation exercises, and the Department will continue to monitor the capacity of the Peacekeeping Best Practices Section to assist with and undertake evaluations.

Recommendation 13

The Department of Peacekeeping Operations should develop a results-based management training module, based on the Joint Inspection Unit benchmarking framework for results-based management and other modules developed by other United Nations system organizations and the United Nations Staff College, to train all staff of peacekeeping operations, with priority accorded to senior management and the results-based management focal points. This module should be available online and used systematically in the induction of all staff hired to serve in peacekeeping operations. It should also be made available to members of the Security Council, the Fifth Committee, the Special Committee on Peacekeeping Operations, the Advisory Committee on Administrative and Budgetary Questions, the Board of Auditors, the Office of Internal Oversight Services and any other body concerned with peacekeeping operations, for self-training purposes. Furthermore, the Secretary-General should organize briefing/training sessions open to the participation of the members of the organs and bodies mentioned above.

17. The Secretariat has extensive and comprehensive training materials for results-based budgeting. The Department of Peacekeeping Operations will work closely with the Department of Management in developing and delivering training, within the context of results-based management practices being implemented as part of the Secretary-General's reform agenda.

Recommendation 14

The Secretary-General should undertake a review of human resources management in all its aspects within peacekeeping operations, with a view to realigning its policies, regulations, rules, procedures and practices with the specific needs of the peacekeeping operations in a results-based management framework, and present a revised human resources management policy framework for the consideration and approval of the General Assembly at the resumed part of its sixty-first session.

18. The Secretary-General has already begun addressing the human resources management within the peacekeeping operations as part of his ongoing reform. As he recently reiterated in his report to the General Assembly (A/60/692 and Corr.1), the entire vision for human resources reform is explicitly linked to progress in results-based management. The Department of Peacekeeping Operations is currently in the process of developing a revised concept for staffing missions. The harmonization of conditions of service of staff serving in field missions is a critical element of the Secretary-General's human resources management reform framework to be presented to the Assembly at its sixty-first session.

Recommendation 15

The General Assembly should call on the oversight and control bodies, both external and internal, including the Advisory Committee on Administrative and Budgetary Questions, the Board of Auditors, the Office of Internal Oversight Services and the Joint Inspection Unit, to:

(a) **Adhere to their advisory and mutually complementary functions vis-à-vis the General Assembly and the Secretary-General, thus refraining from interfering in the management of peacekeeping operations;**

(b) **Coordinate their oversight and control activities with a view to avoiding overlapping, duplication and potentially contradictory guidance in their coverage of peacekeeping operations.**

19. The recommendation is noted.

Recommendation 16

The Secretary-General should:

(a) **Review the current disparity between the financial and human resource management cycles with a view to submitting a recommendation to the General Assembly to harmonize them;**

(b) **In the context of the preparation of the review to be undertaken on the subject by the Office of Internal Oversight Services, streamline the process from the stages of preparation to the submission and approval of peacekeeping budget proposals.**

20. The Secretary-General accepts recommendation 16 (a) in principle. With regard to recommendation 16 (b), the Department of Management, in collaboration with the Department of Peacekeeping Operations, will review the recommendations of the Office of Internal Oversight Services with a view to identifying areas of duplication in the budgeting process, accounting process and other operational areas.